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**Technology, Energy &  
Communications Committee**

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**HB 2664**

**Brief Description:** Modifying fuel standards to include biodiesel.

**Sponsors:** Representatives Holmquist, Wallace, Morris, Dunshee, Crouse, B. Sullivan, McDonald, Hunt, Skinner, Morrell, McCune, Green, Ericks, Woods, Cox, Dunn, Sump, O'Brien, Serben, Rodne, P. Sullivan, Simpson, Sells, Linville, Hinkle, Moeller, Ormsby, Strow, Kretz, Kilmer and Haler.

**Brief Summary of Bill**

- Establishes a renewable fuel standard for biodiesel fuel to meet two percent of Washington state's diesel motor fuel demand.
- Provides a definition of biodiesel fuel.

**Hearing Date:** 1/17/06

**Staff:** Scott Richards (786-7156).

**Background:**

**Renewable Fuel Standard**

A Renewable Fuel Standard (RFS) requires that a certain percentage of motor fuel be obtained from renewable sources, such as ethanol or biodiesel. Currently, five states including California, Ohio, Hawaii, Minnesota and Montana have either a Renewable Fuel Standard or have passed legislation to use biofuels on a state level.

**Biodiesel**

Biodiesel is a non-petroleum diesel fuel produced from renewable resources such as vegetable oils, animal fats, and recycled cooking oils. It can be blended at any percentage with petroleum diesel or used as a pure product (neat diesel). Like petroleum diesel, biodiesel operates in compression-ignition engines. According to the United States Department of Energy, biodiesel blends of up to 20 percent biodiesel can be used in nearly all diesel equipment with little or no engine modifications. Higher blends can also be used in many engines built since 1994 with little or no engine modification.

**Current Law**

**Motor Fuel Quality Act**

The Motor Fuel Quality Act provides for the establishment of quality specifications for all liquid motor fuels, except aviation fuel, marine fuel, and liquefied petroleum gases, and establishes a sampling, testing, and enforcement program. The motor fuel means any liquid product used for the generation of power in an internal combustion engine used for the propulsion of a motor vehicle upon the highways of this state. Motor fuels containing ethanol may be marketed if either (a) the base motor fuel meets the applicable standards before the addition of the ethanol or (b) the resultant blend meets the applicable standards after the addition of the ethanol.

## **Summary of Bill:**

### **Biodiesel Fuel Standards**

#### *Biodiesel*

All diesel motor fuel offered at retail sale in Washington must contain at least two percent biodiesel fuel by volume as long as there is sufficient verifiable quantities of competitively priced Washington-based biodiesel available to meet the state's aggregate diesel motor fuel demand.

The Director of the Department of Agriculture shall not include a producer's gallons of biodiesel unless it can be verified that a predominant portion of the feedstock used to produce the biodiesel was grown in Washington state.

#### *Exceptions*

The Director may authorize on a temporary basis the sale of motor fuels that do not meet the Washington-based or produced requirements, if sufficient verifiable quantities of either competitively priced Washington-based biodiesel fuel is not available to meet the minimum requirement. Also, the Director may authorize on a temporary basis the sale of motor fuels that do not meet the Washington-based requirements, if compliance with these requirements is an undue hardship for the motor fuel manufacturer, distributor, retailer or consumer.

### **Motor Fuel Quality Act**

For purposes of the Motor Fuel Quality Act, biodiesel fuel means a mono alkyl ester of long chain fatty acids derived from vegetable oils or animal fats for use in compression-ignition engines and that meets the requirements of the American society of testing and materials specification D 6751 in effect as of January 1, 2003.

**Appropriation:** None.

**Fiscal Note:** Requested on 1/16/06.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.